During the Budget Speech in July, 1996, it had been stated that:

"An interim non-statutory Insurance Regulatory Authority was set up in January, 1996. I now propose to introduce a Bill to make it a statutory body and to empower it suitably. When I return to the subject of insurance in the next Budget. I shall address some of the policy parameters outlined in the CMP, including the sequence of steps for the restructuring of the insurance industry."

The Government is currently processing a Bill for giving statutory basis to the Insurance Regulatory Authority. Other measures for reform of the insurance sector are being examined in consultation with the Insurance Regulatory Authority.

Amendment in Black Money Seizure Laws

362. SHRI LAKHIRAM AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether black money seizure laws are being amended;

(b) if so, the details thereof; and

(c) the reasons for brining changes in the laws?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir.

(b) and (c) A Bill is being introduced in the current session of Parliament. The details of amendments along with the reasons thereof will be known at the time of the introduction of the Bill.

Mismanagement/Non-Utilisation of Assets by Central Bank of India

363 : SHRI SURYABHAN PATIL VAHADANE : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware about the mismanagement and non-utilisation of assets by Central Bank of India in and Mumbai;

(b) whether Government's attention has been drawn to the news item published in a Marathi daily Maharashtra Times (9th October, 1996 Mumbai edition) in this regard;

(c) whether it is a fact that due to this mismanagement and non-utilisation, the bank is accruing huge financial losses; and

(d) if so, what action is being taken against the erring officials of the bank and what steps are proposed to be taken in the matter to make things right by Government?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Central Bank of India has reported that most of the assets owned by the Bank in and around Mumbai have been put to proper use except for a premises in Belapur area which is in partial use due to non-availability of infrastructural facilities.

(b) Yes, Sir.

(c) and (d) With a gradual improvement in transportation and communication facilities the Bank is in the process of shifting some of the administrative departments to this premises. Steps such as construction of residential flats, leasing out some portion of the premises, etc. are also being taken by the Bank to make full use of the premises and make good any financial loss.

Study by RBI on Rural Credit through IRDP Schemes

364. SHRI VAYALAR RAVI : Will the Minister of FINANCE be pleased to state :

(a) whether the RBI has made study on the impact of the rural credit through the IRDP and government subsidy for the poverty eradication programme;

(b) whether it is a fact that the study exposed many shortcomings; and

(c) if so, the steps taken to improve the system of rural finance and success of IRDP schemes?